

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3548-01
Bill No.: HB 1255
Subject: Licenses - Professional; Nursing & Boarding Homes
Type: Original
Date: February 5, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	\$0	(\$8,750)	(\$8,750)
Total Estimated Net Effect on <u>All</u> State Funds	\$0	(\$8,750)	(\$8,750)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Revenue (DOR)** assume that the board members will provide Social Services with copies of their Missouri tax returns, and no information will be needed from DOR; therefore, there is no administrative impact to the Department.

Officials from the **Department of Health and Senior Services (DHSS)** assume the proposed legislation would not be expected to significantly impact the operations of DHSS. If the proposal were to substantially impact the DHSS programs, the Department would request funding through the legislative process.

Officials from the **Office of Administration - Administrative Hearing Commission, Office of State Courts Administrator, Department of Corrections, and the State Public Defender** assume the proposal will have no fiscal impact on their agencies.

Officials with the **Office of Prosecuting Attorney** indicate any costs to their agency as a result of this legislation can be absorbed.

Officials with the **Office of Prosecution Services** stated there would be no additional costs to prosecutors resulting from this proposal.

Officials from the **Secretary of State's Office (SOS)** assumed the rules, regulations and forms issued by the Department of Health and Senior Services could require as many as 4 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$246 for FY 2003. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials with the **Department of Social Services (DOS)** assume the proposal deals with standards for licensing Nursing Home Administrators. It replaces reference to the Department of Social Services with the Department of Health and Senior Services. There would be no fiscal

impact to DOS.

ASSUMPTION (continued)

Based on information DOS provided in response to similar legislation proposed during last session, **Oversight** makes the following assumptions: Last year, there were 1716 licensed Nursing Home Administrators in Missouri. Board statistics indicated 917 were working in skilled nursing facilities, intermediate care facilities, and residential care facilities. The division estimated 243 licensees would meet the criteria for a retired license and choose that status. The division's statistics also indicated that another 150 licensees reside outside the state and are unavailable for employment. Of the remaining licensees, the division estimated 200, or approximately half, will elect inactive status to avoid continuing education and license costs. The amount of fees collected in FY 2003 would remain the same since the fee is the same for active or inactive status. However, for FY 2004 and FY 2005 the decrease would be approximately \$8750 per year as an estimated 350 fewer licenses are renewed at \$25 each.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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GENERAL REVENUE

Loss - Department of Health and Senior Services

License renewal fees	\$0	(\$8,750)	(\$8,750)
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ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>(\$8,750)</u>	<u>(\$8,750)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This legislation will have a direct fiscal impact on small businesses subject to regulation under the Nursing Home Administrators Law.

DESCRIPTION

This proposal revises provisions pertaining to the Nursing Home Administrators Law. In its main provisions, the bill:

- (1) Revises the procedure concerning the successful completion of examinations by nursing home administrators. If the applicant fails the examinations, the applicant can reapply to the Missouri Board of Nursing Home Administrators for re-testing;
- (2) Requires an applicant who fails either of the examinations a third time to successfully complete a board-prescribed course of instruction in order to be licensed;
- (3) Prohibits a nationally certified examination score for licensure from another state from being recognized by the board for an applicant who fails the examination for a third time;
- (4) Authorizes the board to renew the issue of a temporary emergency license to an applicant if examination results have not been received by the board. Current law does not require the examination to be administered to an applicant applying for the renewal;
- (5) Authorizes the board, at its discretion, to issue a license subject to probation for violating causes contained in Section 344.050.2, RSMo. The contents of the order and the procedures to request a review of the order by the Administrative Hearing Commission are stated;
- (6) Specifies additional violations of Chapter 198;
- (7) Authorizes the board to censure or place the person named in a complaint on probation as deemed appropriate if the finding by the Administrative Hearing Commission substantiates the violation;
- (8) Authorizes the board to hold a disciplinary hearing to singly or in combination, censure or place the person named in the complaint on probation or to suspend or revoke a certificate of registration, permit, or license required by Chapter 344. Reinstatement of the certificate, permit, or license can occur;
- (9) Permits automatic denial of a certificate, permit, or license to a person who has had a certificate of registration permit or license denied or revoked in another state which pertains to the practice of a profession that is regulated under Sections 344.010 to 344.100;
- (10) Contains provisions which encourage the settlement of disputes between the board and its

licensees, including procedures for a review by the Administrative Hearing Commission, prior to a settlement becoming final;

DESCRIPTION (continued)

(11) Requires that the physician, 2 licensed health care professionals, and the health care educator be citizens of the United States and tax paying residents of Missouri for one year preceding their appointment to the board. The 4 appointees to the board are required to be citizens of the United States and either residents of Missouri one year prior to their appointment or persons who have been licensed by the board and who have been employed in Missouri for a five-year period;

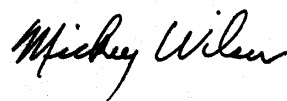
(12) Contains procedures which allow any nursing home administrator who possesses a current license to practice in Missouri to place their license on inactive status; and

(13) Contains provisions pertaining to the expiration of an inactive license, the length of time of an inactive license, and the re-activation of an inactive license. Nursing home administrators are prohibited from acting in a capacity as a nursing home administrator while their license is inactive.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Health and Senior Services
Department of Social Services
Office of Administration
Administrative Hearing Commission
Office of Secretary of State
Office of Courts Administrator
Office of Prosecution Services
Department of Corrections
Office of State Public Defender
Office of Attorney General



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Acting Director
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